

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7014

BILL NUMBER: HB 1178

DATE PREPARED: Feb 25, 1999

BILL AMENDED: Feb 24, 1999

SUBJECT: Affordable Housing Fund.

FISCAL ANALYST: Bob Sigalow

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill changes the membership of the Housing Trust Fund Advisory Committee. It also establishes the Affordable Housing Financing Study Commission.

Effective Date: (Amended) Upon Passage; July 1, 1999.

Explanation of State Expenditures: (Revised) The Housing Trust Fund Advisory Committee currently consists of sixteen members appointed by the Governor for a term of three years each. The advisory committee makes recommendations to the Housing Finance Authority regarding the development of policies and procedures for the administration of the Housing Trust Fund and regarding long term sources to capitalize the Housing Trust Fund. The advisory committee also prepares an annual report that describes disbursements under the Housing Trust Fund.

This bill would reduce the number of Advisory Committee members to nine members. The members would be appointed by the board of the Indiana Housing Finance Authority. The members that would no longer serve on the committee represent:

- Division of Mental Health - 1 member
- Division of Family and Children - 1 member
- Division of Disability, Aging, and Rehabilitative Services - 1 member
- Construction Trades - 1 member
- Service Providers - 1 member
- Neighborhood Groups - 2 members
- Real Estate Brokers and Salespersons - 1 member
- Manufactured Housing Industry - 1 member

Added members serving on the committee would represent:

- Office of the Secretary of Family and Social Services - 1 member

Low Income Families - 1 member (in addition to the current member)

Each member of the Housing Trust Fund Advisory Committee who is not a state employee receives mileage reimbursement plus a \$35 salary per diem while on committee business. This bill reduces the number of non-state employee members by a net number of five members. This provision would reduce Advisory Committee expenses for mileage and per diem.

The bill would also establish the Affordable Housing Finance Study Commission made up of fourteen members including four Legislators, three administration representatives, and seven lay members. The Commission is to seek to devise a comprehensive financing strategy for affordable housing programs and programs for the homeless.

Each member who is not a state employee or a member of the General Assembly may receive mileage reimbursement plus a \$50 salary per diem. Members of the General Assembly serving on the commission would receive mileage reimbursement plus a \$112 salary per diem. Legislative Council Resolution 1-98 establishes an annual budget of \$9,000 for such study commissions. The Legislative Council would allot funds to the commission from funds appropriated to the Council. The Legislative Services Agency would provide staff support.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: (Revised) Indiana Housing Finance Authority; Housing Trust Fund Advisory Committee.

Local Agencies Affected:

Information Sources: